

This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 02 MANAMA 000707

SIPDIS

E.O. 12958: DECL: 05/16/2015

TAGS: [PGOV](#) [PREL](#) [PHUM](#) [BA](#)

SUBJECT: KING'S CONFIDANT DISCUSSES REFORM ISSUES WITH
AMBASSADOR

Classified By: Ambassador William T. Monroe. Reason: 1.4 (B)(D)

1. (C) Summary. Minister of Industry and Commerce Hassan Fakhro, in a May 16 conversation with the Ambassador, was cautious about the possibility of gestures by the government to entice opposition participation in the 2006 elections. The government would be reluctant to redistrict because it wanted to maintain an even Sunni-Shia balance in seats, he stated, and was reluctant to change the appointed Shura Council because the Shura acted in effect as the government's ruling party in the parliament. Acknowledging that in his view the recent closure of a website was a mistake, he said democratic reform was a process, and we should focus on trends, not day-to-day developments. Despite its lack of success in passing legislation, the parliament is developing real powers, particularly on budget matters and in accountability of ministers. He took issue with a common Shia complaint that the government neglected the economic well-being of the Shia majority, citing employment figures that reached as high as 80 percent Shia in one ministry. End summary.

2. (C) The Ambassador called on Minister of Industry and Commerce Hassan Fakhro, a close confidant of the King, May 16 to probe his thinking on democratic reform issues.

3. (C) The Ambassador noted that issues of democratic reform and freedom of expression in the Arab world are high on the agenda of the Bush Administration, and that Bahrain has earned recognition in Washington for its steps to begin a democratic reform process and grant women political rights. It is precisely because of Bahrain's positive steps, however, that the spotlight will shine on Bahrain as it moves towards the 2006 elections and deals with pressures and provocations from the opposition. The U.S., as it looks at Bahrain, hopes for successful elections in 2006 and positive movement forward on freedom of expression issues. In our discussions with political circles in Bahrain, we are aware that there are elements within the opposition (most notably, Al-Wifaq) that would like to participate in next year's elections and are looking for gestures from the government -- such as a redistricting to more accurately reflect the Sunni-Shia balance or a commitment to amend the government-appointed Shura (upper) house. The Ambassador asked Fakhro how the government saw the run-up to the elections proceeding, and whether there might be possibilities for compromise.

4. (C) Fakhro said that we need to look at democratic reform in Bahrain as a process, focusing not on the day-to-day developments but rather the trends. Bahrain is feeling its way, and the path to democracy will not be perfectly smooth. He noted a recent Wall Street Journal article, which cited the closing of a Bahrain-based website as a step backward. He personally felt that the action taken against the website was a mistake. Although there was concern about the kind of language being used, the step taken caused more harm than good, Fakhro acknowledged.

5. (C) Fakhro was cautious on possible gestures the government could take to entice the opposition to participate in the 2006 elections. Shia oppositionists frequently raise the issue of electoral districts, pointing out that some Sunni districts have far fewer voters than some Shia districts. Fakhro said that the districting for the 2002 election was designed purposefully to create a 50-50 balance in the lower Council of Representatives (COR). The results did not match the expectation because of the boycott by the largest Shia party, but at this stage in Bahrain's developing democracy, Fakhro said, there is merit seen in trying to maintain a balance in the elected parliament.

6. (C) Another gesture sought by the opposition is a commitment to reduce the power or size of the appointed Shura Council. Again, Fakhro was cautious. He noted that, unlike in more developed parliamentary democracies, the government does not have its own party to support it in the legislature. It thus has no party that it can rely on to support its agenda. The Shura members, who are appointed by the government, play this role (comment: the nine-member "Independent" bloc in the COR is considered by many to be pro-government). Asked about efforts by some blocs in the COR to legislate changes to the Shura Council (thereby meeting a demand of the oppositionists), Fakhro was skeptical that they had the votes to pass something in the COR (much less get it through the Shura).

17. (C) Asked how he saw the political scene developing in Bahrain, Fakhro expressed optimism that the 2006 elections will proceed successfully with more participation than in 2002 and higher caliber parliamentarians. Longer term, he said that the King would like to remove the prime minister position from the royal family. This would help make the prime minister and his government more accountable, as a non-royal prime minister could more easily be removed for performance reasons. (Comment: Fakhro clearly did not see this happening until after current PM Shaikh Khalifa departs from the scene.)

18. (C) On the current parliament, Fakhro said it should not be judged solely on the number of bills it has passed (or not passed). It is developing real powers, he stated, most notably on the budget. He cited as examples his success in getting the parliament to reduce by half the cut in funding the government had recommended for his Ministry, and the parliament's success in forcing the government to increase payments made by government-owned oil company Bapco into the government coffers. He added that the ability of parliamentarians to question Ministers is unquestionably making the Ministers more accountable, and cited a recent infusion of funds into a village affected by an industrial chemical release as a direct result of parliamentary pressure.

19. (C) Finally, Fakhro took issue with a common Shia complaint that the Sunni leadership in Bahrain has neglected the economic well-being of the Shia majority. He said that 70 percent of the employees in his Ministry are Shia. In the Ministry of Electricity and Water, one of the largest ministerial employers in the government, 80 percent are Shia, 10 percent are foreign, and 10 percent are Sunni. In the government as a whole, even if the Ministry of Interior and Bahrain Defense Force (known to hire less Shia for security reasons) are included, Shias comprise 60-65 percent of the total employees, he said.

MONROE